

News

U.S. Department of Labor
Bureau of Labor Statistics
PO Box 193766
San Francisco, Calif. 94119-3766



CONTACT:

Stanley P. Stephenson (415) 975-4373
Nancy A. Treadwell (415) 975-4403
Internet address: <http://stats.bls.gov/ro9news.htm>
Fax-On-Demand (415) 975-4567 Code: 9620

BLS 00-45
FOR RELEASE:
Thursday, July 20, 2000

AVERAGE ANNUAL PAY IN CALIFORNIA, 1998

Annual pay in California averaged \$35,349 in 1998, an increase of 5.4 percent over the year, according to Regional Commissioner Stanley Stephenson of the U.S. Department of Labor's Bureau of Labor Statistics. California's pay level was above the national average of \$31,908 and its percentage increase in pay exceeded the nationwide gain of 5.1 percent.

Overall, pay in the Pacific region¹ averaged \$33,504 in 1998, an increase of 5.5 percent over 1997. In addition to California, only Alaska and Washington, with pay levels of \$33,839 and \$33,076, respectively, exceeded the nationwide average within the Pacific region. In the remaining five states, pay levels ranged from a low of \$24,866 in Idaho to \$30,201 in Nevada. (See table 1.)

Annual pay data are compiled from reports submitted by employers subject to state and federal Unemployment Insurance (UI) laws, covering 124.2 million full- and part-time workers. Average annual pay is computed by dividing total annual payrolls of employees covered by UI programs by the average monthly number of these employees. (See Technical Note.) Pay differences among states reflect the varying composition of employment by occupation, industry, and hours of work, as well as other factors. Similarly, over-the-year pay changes may reflect shifts in these characteristics, as well as changes in the level of average pay.

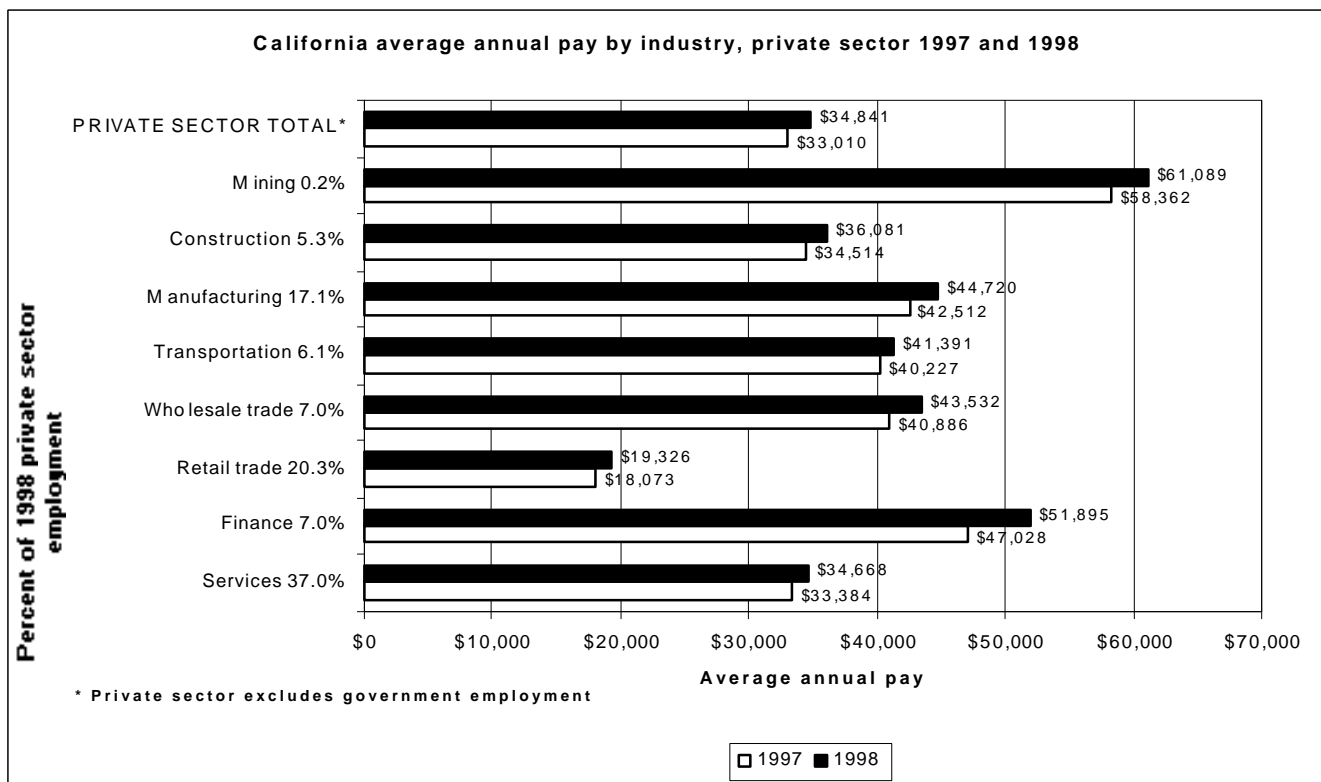
Among California's 24 metropolitan areas, annual pay ranged from a high of \$51,409 in San Jose to a low of \$21,812 in Visalia-Tulare-Porterville, with five posting levels above the nationwide average for all 315 metropolitan areas. (See table 2.) San Jose also had the highest pay level nationally, while the other four metropolitan areas--San Francisco (\$45,670), Oakland (\$38,535), Los Angeles-Long Beach (\$36,608), and Orange Co. (\$35,714) all ranked in the top 20 in 1998.

Over-the-year, average pay rose 7.0 percent in San Francisco and 6.8 percent in Yuba City to lead all California metropolitan areas in 1998. The smallest increase in pay, 2.9 percent, occurred in Redding. Eleven of California's 24 metropolitan areas surpassed the 5.2 percent nationwide gain for all 315 metropolitan areas.

¹ The Pacific region consists of eight states: Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, and Washington.

Among California's 26 large counties² annual pay levels varied widely. (See table 3.) Santa Clara County recorded the highest average pay in 1998 at \$51,409 followed by San Francisco County at \$47,321 and San Mateo County at \$45,402. Tulare County's pay level at \$21,812 was the lowest. Fourteen of the 26 large counties in the State had pay growth exceeding California's overall increase of 5.4 percent. (See table 3.) The largest percentage gain in pay in the state was 7.9 percent in Marin County, while San Joaquin County had the lowest increase at 3.2 percent.

Among the nine major industries in California, mining continued to be the highest-paid, increasing 4.7 percent to \$61,089 in 1998. Retail trade, which has a large number of part-time workers, remained the lowest-paid at \$19,326, up 6.9 percent from a year ago. Overall, pay levels in all of California's industry divisions exceeded the national average for that industry in 1998. (See table 4.) The largest over-the-year pay growth in California's industries occurred in finance, insurance, and real estate (10.3 percent) while transportation, communications and public utilities had the smallest (2.9 percent.) Among the nine industries, increases in pay exceeded the nationwide gain in six, while pay levels in construction, services, and transportation and public utilities grew at a slower pace.



TECHNICAL NOTE

These data are the product of a federal-state cooperative program in which State Employment Security Agencies (SESAs) prepare summaries of employment and total pay of workers covered by Unemployment Insurance legislation. The summaries are a by-product of the administration of state unemployment insurance (UI) programs that require most employers to pay quarterly taxes based on the employment and wages of workers covered by UI. Data for 1998 are preliminary and subject to revision.

² The 296 U.S. counties with 75,000 or more employees.

Coverage:

Employment and wage data for workers covered by state UI laws and for federal civilian workers covered by the Unemployment Compensation for Federal Employees (UCFE) program are compiled from quarterly contribution reports submitted to the SESAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the "Multiple Worksite Report," which provides detailed information on the location and industry of each of their establishments. Average annual pay data are derived from summaries of employment and wages submitted by states to the Bureau of Labor Statistics.

UI and UCFE coverage is broad and basically comparable from state to state. In 1998, UI and UCFE programs covered workers in 124.2 million jobs. The estimated 119 million workers in these jobs (after adjustment for multiple jobholders) represent 98.4 percent of wage and salary civilian employment. Covered workers received \$3.961 trillion in pay, representing 95.5 percent of the wage and salary component of personal income and 46.5 percent of the gross domestic product.

Major exclusions from UI coverage during 1998 included most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

Concepts and methodology:

Average annual pay is computed by dividing total annual pay of employees covered by UI programs by the average monthly number of these employees. Included in the annual payroll data are bonuses, the cash value of meals and lodging when supplied, tips and other gratuities, and, in some states, employer contributions to certain deferred compensation plans such as 401(k) plans and stock options. Monthly employment is based on the number of workers who worked during or received pay for the pay period including the 12th of the month. With few exceptions, all employees of covered firms are reported, including production and sales workers, corporation officials, executives, supervisory personnel, and clerical workers. Workers on paid vacations and part-time workers also are included. Percentage changes in average annual pay for 1998 were computed using final 1997 data as a base.

Average annual pay is affected by the ratio of full-time to part-time workers as well as the number of individuals in high-paying and low-paying occupations. When comparing average annual pay levels between industries and/or states, these factors should be taken into consideration. Annual pay data only approximate annual earnings, because an individual may not be employed by the same employer all year or may work for more than one employer. Year-to-year changes in average annual pay can result from a change in the proportion of employment in high- and low- wage jobs, as well as from changes in the level of average annual pay.

Data in table 2 are presented separately for the private sector and for government. Average annual pay for employment in the private sector is presented by industry division as defined in the 1987 Standard Industrial Classification Manual. Government data include federal, state, local, and international establishments.

A few covered employers provided insufficient information on the nature of their businesses to assign a specific SIC classification and therefore could not be classified by industry division. The wages for these nonclassifiable establishments, along with data for the agricultural division, are not shown separately, but are included in the averages for state and national totals.

County definitions are assigned according to Federal Information Processing Standards Publications (FIPS PUBS) as issued by the National Institute of Standards and Technology, after approval by the Secretary of Commerce pursuant to Section 5131 of the Information Technology Management Reform Act of 1997 and the Computer Security Act of 1987, Public Law 104-106. Data shown as counties include areas designated as independent cities in some jurisdictions, and, in Alaska, those designated as census areas where counties have not been created.

BLS issues three other regular reports which provide data from state UI and UCFE programs. In mid December 1999 BLS released Annual Average Pay by State and Area, 1998. Later in the month, a news release on Average Annual Pay Levels in Metropolitan Areas, 1998 was distributed. In early January 2000, a press release covering Employment and Annual Average Pay for Large Counties, 1998 was released. Also published from this program is the comprehensive bulletin, Employment and Wages Annual Averages, 1998, which features information by detailed industry on establishments, employment, and wages for the nation and all states. The report is available for sale from the BLS Publications Sales Center, P.O. Box 2145, Chicago, Illinois, 60690.

This news release, along with other BLS statistics and information, is available via the Internet at the BLS World Wide Web site (<http://stats.bls.gov>). Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-606-STAT; TDD phone: 202-606-5897; TDD message referral phone number: 1-800-326-2577.

Table 1. Average annual pay in the Pacific Region¹ states for 1997 and 1998 and percent change in pay for all covered workers²

State	Average annual pay		Percent change 1997-98 ⁴
	1997	1998 ³	
UNITED STATES ⁵	\$30,353	\$31,908	5.1
Pacific Region.....	31,764	33,504	5.5
Alaska.....	33,156	33,839	2.1
Arizona.....	27,659	29,317	6.0
California.....	33,525	35,349	5.4
Hawaii.....	28,357	29,029	2.4
Idaho.....	24,062	24,866	3.3
Nevada.....	28,672	30,201	5.3
Oregon.....	28,411	29,542	4.0
Washington.....	30,769	33,076	7.5

¹ The Pacific Region is comprised of eight states -- Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, and Washington.

² Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

³ Data are preliminary.

⁴ Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.

⁵ Totals for the United States were calculated using estimated data for New Jersey for the third and fourth quarters in 1998 and do not include data for Puerto Rico.

Table 2. Average annual pay for 1997 and 1998 for all covered workers¹ by metropolitan area

Metropolitan area ²	Average annual pay			Ranking of areas
	1997	1998 ³	Percent change, 1997-98 ⁴	By level of average annual pay for 1998
All metropolitan areas ⁵	\$31,734	\$33,381	5.2	---
Metropolitan areas in California				
Bakersfield, CA.....	25,343	26,281	3.7	186
Chico-Paradise, CA.....	22,164	23,205	4.7	278
Fresno, CA.....	22,626	23,822	5.3	267
Los Angeles-Long Beach, CA.....	34,958	36,608	4.7	17
Merced, CA.....	21,656	22,386	3.4	293
Modesto, CA.....	24,971	26,036	4.3	198
Oakland, CA.....	36,410	38,535	5.8	8
Orange County, CA.....	33,750	35,714	5.8	19
Redding, CA.....	24,697	25,417	2.9	218
Riverside-San Bernardino, CA.....	26,161	27,505	5.1	145
Sacramento, CA.....	31,003	33,001	6.4	32
Salinas, CA.....	26,091	27,294	4.6	150
San Diego, CA.....	30,357	32,221	6.1	42
San Francisco, CA.....	42,698	45,670	7.0	3
San Jose, CA.....	48,655	51,409	5.7	1
San Luis Obispo-Atascadero-Paso Robles, CA.....	24,703	25,733	4.2	208
Santa Barbara-Santa Maria-Lompoc, CA.....	27,745	29,277	5.5	101
Santa Cruz-Watsonville, CA.....	27,160	28,862	6.3	107
Santa Rosa, CA.....	28,771	30,653	6.5	69
Stockton-Lodi, CA.....	26,143	26,972	3.2	159
Vallejo-Fairfield-Napa, CA.....	27,076	28,309	4.6	125
Ventura, CA.....	30,489	31,962	4.8	47
Visalia-Tulare-Porterville, CA.....	20,795	21,812	4.9	299
Yolo, CA.....	30,868	32,024	3.7	46
Yuba City, CA.....	22,521	24,052	6.8	260

1 Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

2 Includes data for 315 Metropolitan Statistical Areas and Primary Metropolitan Statistical Areas in the United States as of June 1998.

3 Data are preliminary.

4 Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.

5 Totals were calculated using estimated data for New Jersey for the third and fourth quarters in 1998 and do not include the six MSAs within Puerto Rico.

Table 3. Employment and average annual pay for 1998 and 1997-98 percent changes for all covered workers¹ in the 26 largest counties in California.

County ²	Employment			Average annual pay	
	1998 ³	Percent Change, 1997-98 ⁴	Ranked by percent change, 1997-98 ⁵	1998 ³	Percent change, 1997-98 ⁴
United States ⁶	124,150,724	2.6	-	\$31,908	5.1
California					
Alameda, CA.....	651,554	2.3	140	38,825	6.0
Contra Costa, CA.....	318,410	3.6	60	37,941	5.5
Fresno, CA.....	310,987	0.9	240	24,020	5.0
Kern, CA.....	232,372	2.0	168	26,281	3.7
Los Angeles, CA.....	3,968,899	2.4	133	36,608	4.7
Marin, CA.....	106,618	2.7	104	37,613	7.9
Monterey, CA.....	154,097	1.9	179	27,294	4.6
Orange, CA.....	1,296,883	5.0	24	35,714	5.8
Placer, CA.....	91,443	4.5	33	29,375	7.8
Riverside, CA.....	415,178	5.2	17	26,855	6.0
Sacramento, CA.....	532,076	2.9	87	34,109	6.1
San Bernardino, CA.....	475,124	2.5	122	28,073	4.5
San Diego, CA.....	1,112,513	4.7	31	32,221	6.1
San Francisco, CA.....	576,006	3.5	62	47,321	6.8
San Joaquin, CA.....	186,654	1.3	221	26,972	3.2
San Luis Obispo, CA.....	89,247	2.7	105	25,733	4.2
San Mateo, CA.....	345,934	4.6	32	45,402	6.9
Santa Barbara, CA.....	166,131	0.1	265	29,277	5.5
Santa Clara, CA.....	962,060	3.0	82	51,409	5.7
Santa Cruz, CA.....	100,226	2.0	169	28,862	6.3
Solano, CA.....	107,224	2.4	134	28,090	4.1
Sonoma, CA.....	178,816	4.2	41	30,653	6.5
Stanislaus, CA.....	152,595	3.8	51	26,036	4.3
Tulare, CA.....	125,983	2.3	141	21,812	4.9
Ventura, CA.....	265,311	3.3	70	31,962	4.8
Yolo, CA.....	78,860	2.8	97	32,024	3.7

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs. The 301 U.S. counties including New Jersey counties, comprise 70.0% of the total covered workers in the U.S.

² Includes areas not officially designated as counties. See technical note.

³ Data are preliminary. See technical note.

⁴ Percent changes were computed from annual employment and pay data adjusted for noneconomic county reclassifications.

⁵ Rankings for percent change in employment are based on the 285 counties that are comparable over the year.

⁶ Totals for the United States were calculated using estimated data for New Jersey for the third and fourth quarters in 1998 and do not include data for Puerto Rico.

Table 4. State and industry average annual pay in the Pacific Region¹ for 1997 and 1998 and percent change in pay for all covered workers²

State and industry	Average annual pay		Percent change, 1997-98 ⁴
	1997	1998 ³	
United States ⁵			
Private ⁶			
Total.....	\$30,064	\$31,722	5.5
Mining.....	49,998	52,021	4.0
Construction.....	31,744	33,346	5.0
Manufacturing.....	38,306	40,040	4.5
Transportation, communications, and public utilities.....	37,658	39,301	4.4
Wholesale trade.....	39,449	41,759	5.9
Retail trade.....	15,878	16,794	5.8
Finance, insurance, and real estate.....	44,884	48,597	8.3
Services.....	28,466	30,011	5.4
Government.....	31,916	32,931	3.2
Alaska			
Private ⁶			
Total.....	31,050	32,033	3.2
Mining.....	80,243	79,611	-0.8
Construction.....	45,725	45,744	0.0
Manufacturing.....	29,809	31,235	4.8
Transportation, communications, and public utilities.....	40,752	41,277	1.3
Wholesale trade.....	34,588	36,402	5.2
Retail trade.....	18,420	19,051	3.4
Finance, insurance, and real estate.....	32,631	34,041	4.3
Services.....	25,835	26,801	3.7
Government.....	39,180	39,114	-0.2
Arizona			
Private ⁶			
Total.....	27,150	28,850	6.3
Mining.....	45,720	45,850	0.3
Construction.....	27,884	29,380	5.4
Manufacturing.....	39,888	42,771	7.2
Transportation, communications, and public utilities.....	34,136	35,782	4.8
Wholesale trade.....	36,672	39,892	8.8
Retail trade.....	16,729	17,638	5.4
Finance, insurance, and real estate.....	34,075	37,446	9.9
Services.....	25,307	26,711	5.5
Government.....	30,631	32,098	4.8

See footnotes at end of table.

Table 4. State and industry average annual pay in the Pacific Region¹ for 1997 and 1998 and percent change in pay for all covered workers² (Continued)

State and industry	Average annual pay		Percent change, 1997-98 ⁴
	1997	1998 ³	
California			
Private ⁶			
Total.....	33,010	34,841	5.5
Mining.....	58,362	61,089	4.7
Construction.....	34,514	36,081	4.5
Manufacturing.....	42,512	44,720	5.2
Transportation, communications, and public utilities.....	40,227	41,391	2.9
Wholesale trade.....	40,886	43,532	6.5
Retail trade.....	18,073	19,326	6.9
Finance, insurance, and real estate.....	47,028	51,895	10.3
Services.....	33,384	34,668	3.8
Government.....	36,341	38,228	5.2
Hawaii			
Private ⁶			
Total.....	26,979	27,662	2.5
Mining.....	50,176	51,198	2.0
Construction.....	42,312	43,554	2.9
Manufacturing.....	30,619	31,440	2.7
Transportation, communications, and public utilities.....	35,897	36,709	2.3
Wholesale trade.....	32,571	33,335	2.3
Retail trade.....	17,091	17,328	1.4
Finance, insurance, and real estate.....	34,459	36,145	4.9
Services.....	26,991	27,679	2.5
Government.....	33,848	34,428	1.7
Idaho			
Private ⁶			
Total.....	23,747	24,555	3.4
Mining.....	N/A ⁷	N/A ⁷	N/A ⁷
Construction.....	26,581	27,177	2.2
Manufacturing.....	33,421	34,219	2.4
Transportation, communications, and public utilities.....	28,989	30,089	3.8
Wholesale trade.....	26,939	28,269	4.9
Retail trade.....	14,258	14,964	5.0
Finance, insurance, and real estate.....	28,750	30,717	6.8
Services.....	22,946	23,625	3.0
Government.....	25,475	26,271	3.1

See footnotes at end of table.

Table 4. State and industry average annual pay in the Pacific Region¹ for 1997 and 1998 and percent change in pay for all covered workers² (Continued)

State and industry	Average annual pay		Percent change, 1997-98 ⁴
	1997	1998 ³	
Nevada			
Private ⁶			
Total.....	27,854	29,376	5.5
Mining.....	49,912	52,823	5.8
Construction.....	35,487	37,183	4.8
Manufacturing.....	33,064	34,978	5.8
Transportation, communications, and public utilities.....	32,507	33,477	3.0
Wholesale trade.....	36,393	38,378	5.5
Retail trade.....	18,191	19,089	4.9
Finance, insurance, and real estate.....	34,027	37,081	9.0
Services.....	26,664	28,221	5.8
Government.....	34,823	36,328	4.3
Oregon			
Private ⁶			
Total.....	27,866	29,046	4.2
Mining.....	34,782	36,171	4.0
Construction.....	34,806	35,274	1.3
Manufacturing.....	37,079	38,750	4.5
Transportation, communications, and public utilities.....	34,752	35,714	2.8
Wholesale trade.....	38,835	39,855	2.6
Retail trade.....	16,516	17,459	5.7
Finance, insurance, and real estate.....	34,882	36,963	6.0
Services.....	24,699	25,911	4.9
Government.....	31,524	32,363	2.7

See footnotes at end of table.

Table 4. State and industry average annual pay in the Pacific Region¹ for 1997 and 1998 and percent change in pay for all covered workers² (Continued)

State and industry	Average annual pay		Percent change, 1997-98 ⁴
	1997	1998 ³	
Washington			
Private ⁶			
Total.....	30,337	32,914	8.5
Mining.....	44,219	42,952	-2.9
Construction.....	32,601	33,670	3.3
Manufacturing.....	40,722	42,268	3.8
Transportation, communications, and public utilities.....	38,601	40,315	4.4
Wholesale trade.....	36,682	39,033	6.4
Retail trade.....	16,808	17,913	6.6
Finance, insurance, and real estate.....	37,418	40,721	8.8
Services.....	30,999	35,913	15.9
Government.....	32,830	33,865	3.2

¹ The Pacific Region is comprised of eight states -- Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, and Washington.

² Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

³ Data are preliminary.

⁴ Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.

⁵ Totals for the United States were calculated using estimated data for New Jersey for the third and fourth quarters in 1998 and do not include data for Puerto Rico.

⁶ Includes data for industries in addition to those shown separately.

⁷ Data do not meet BLS or State agency disclosure standards.